OMERS
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Jim Bliangas (left) and David Ng (right), Toronto District School Board

Support staff keeps team ahead of curve

e-access and staying knowledgeable are two keys to success at Canada's largest school board. The Toronto District School Board (TDSB) is the largest school board in Canada and Jim Bliangas gives his six analysts and one pension officer the credit for keeping on top of pension services for their 10,000 OMERS members. "I'm really proud of the team I have," says Jim. "They do a great job of staying on top of the OMERS daily administration.

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OMERS Plan for the Future

The OMERS pension plan provides secure retirement income to municipal employees at about 900 employers across Ontario. *Employer News* keeps our employer representatives up to date on plan administration, news and benefits.

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I always say, success in any organization starts at a grass roots level. The credit has to go to the TDSB pension support staff."

OMERS priorities and what's in store for the future.

When the TDSB was created, the biggest challenge was bringing all the different Toronto school boards together. "Each board had their own payroll system." To add to this, a second hurdle was that each board interpreted and applied rulings differently.

Being flexible

"Being flexible and open to change helped to bring the school boards together and is part of our ongoing strategy for success," Jim notes. "The TDSB changes all the time and sometimes there is resistance, but with training, support and time, people realize that change makes the job better when the organization keeps everyone's interests in mind."

Staying knowledgeable

While working for 10,000 members, Jim knows where to get the information if he is unsure of the answer he is looking for. "I'm on the phone [with OMERS] constantly," Jim chuckles. "OMERS employer support is phenomenal. Mike Watters, Christina Robinson, Mike Robinson… they're all great support, including the training they provide. We try to take in one seminar a year. With so many school boards in OMERS we requested to have a closed session with just school boards so we could focus more on our own concerns. This started two or three years ago and it's proven to be very helpful."

Staying ahead of the curve

As Jim and his team are also responsible for the Teachers' Pension Plan, it can be a struggle to stay on top of all the reporting. "e-access is a blessing. It takes a lot of the manual work out of the processes. Previously, we would have to process buy-backs or the enrolment of part-time employees on a case-by-case basis. Now, we generate a master list of all the people requiring a certain service. We prepare the batch, print the appropriate forms and send them to our employees. It's so easy, which is appreciated with so many OMERS members at the TDSB."

Our thanks to Toronto District School Board staff for sharing their story: (left to right) Front row: Andre Liu , Gulshan Thapar-Mohammed; Middle: Berta Luongo, Jim Bliangas, Andrew Chung; Back row: David Ng , Ranjan Parmar

> *"Being flexible and open to change helped to bring the school boards together and is part of our ongoing strategy for success,"*
>
> *– Jim Bliangas*

A benefit of choice

Does Jim think OMERS is a great benefit for employees? "Most definitely. The fact that members have a guaranteed income when they retire is amazing. I see people that struggle with just CPP because they may not have had any other choices. A pension plan like OMERS is a plus-plus for members."

OMERS weathering the economic storm

With the recent downturn in the public markets, OMERS members and retirees have expressed concern over the future value of their pension, and whether or not OMERS can weather the economic storm.

OMERS pensions are safe

The pension an OMERS member is paid is based on contributory earnings and years of credited service. Short-term fluctuations in public market investments will not affect the pension; a benefit with OMERS is stable and secure.

OMERS investments are sound

OMERS actively manages investments using a long-term investment strategy. This strategy targets economic and financial trends, portfolio diversification and global assets to ensure strong, predictable income, while reducing the volatility of total returns. OMERS continues to shift its focus towards private market investments, such as infrastructure, real estate, and private equity.

We have also been asked if OMERS has been impacted negatively by credit default swaps (CDS) or third party asset-backed commercial paper (ABCP), in the same way as certain financial institutions that have been the subject of recent news reports. You can be assured that OMERS has no direct exposure to these types of investments.

Finally, it is important to recognize that periods of volatility could reveal growth opportunities for OMERS. Our investment experts assess and take advantage of the opportunities that could yield long-term benefits for OMERS and its members.

OMERS opens office in the United Kingdom

OMERS is accelerating its expansion into private investments and has established a new office in the UK under the OMERS Worldwide brand.

Located at 6 New Street Square, London, this new office will now be the launchpad for OMERS expansion into global investments focusing on real estate, infrastructure, and private equities.

OMERS has been one of the top-performing funds in Canada for the past several years, driven by solid returns in both public and private market investments. The fund's investment expertise responsible for its success to date is expected to translate into growing success abroad.

OMERS has $5 billion of capital interests in real estate and infrastructure assets in the United Kingdom. These investments have an enterprise value exceeding $10 billion and include Associated British Ports, Scotia Gas Networks, and the Watermark Place office complex being developed in London.

The London office will have a 20-member team, including OMERS investment professionals in real estate, infrastructure, private equity and capital markets. As relationships are formed and new investment opportunities are discovered, the need to open additional offices in other regions will be explored and assessed.

Visit **www.omers.com** for more about OMERS Worldwide.

Upcoming change to commuted value calculations

The Canadian Actuarial Standards Board (ASB) is considering changes to the rules governing the calculation of a commuted value (CV).

This change will not affect the pension benefit members have earned in OMERS, but it could lower commuted values for members who leave the plan by 5% to 20% – depending on the member's age and future interest rates. The figures have changed from a previous range of about 10% to 30%.

OMERS calculates a CV when a member ceases employment on or before the end of the month in which they turn 55 (or 50 for most police and firefighters). The member has the option of transferring the CV of their OMERS pension out of the plan. The changes affect only the CV calculation. The changes do not affect OMERS pension formula.

If finalized, the proposed changes are expected to take effect in April 2009 and would be effective at the date the Ontario *Pension Benefits Act* (PBA) is amended to adopt the updated standards. The ASB hopes to finalize its decision in December 2008. (Timing has changed from a previous ASB report indicating a potential effective date of February 1, 2009.)

How will the commuted value be affected?

The change to the calculation rules may decrease the commuted value of an older member (age 54) by about 5% and that of a younger member (e.g., age 25) by approximately 20%.

However, if a member leaves their pension in OMERS and ultimately elects to receive a pension, the pension would not be affected.

Why are commuted values changing?

Commuted values are affected by many factors that change over time – including life expectancy, interest rates and inflation. The ASB is revising the rules that govern the calculation of commuted values to make them better reflect the current economic value of these benefits. All pension plans, including OMERS, must follow these rules.

More information

For more information on the upcoming change to commuted values, visit the ASB website at **www.asb-cna.ca** or the Canadian Institute of Actuaries website at **www.actuaries.ca.**

OMERS takes a stake in Texan electricity company

OMERS closes deal and takes a stake in Oncor. The deal, which was completed in November 2008, was structured through OMERS Worldwide and Borealis (OMERS infrastructure investment entity), in association with the Singaporean sovereign wealth fund Government of Singapore Investment Corporation (GIC).

The group has acquired slightly under a fifth of the company (19.75%) for US$1.254 billion.

Michael Rolland, president & CEO of Borealis Infrastructure, commented: "Borealis Infrastructure continues to seek and invest in high quality domestic and global infrastructure assets, in furtherance of OMERS long-term goal of investing 42.5% of net investment assets in private markets on a global basis.

"By leveraging the financial resources of the OMERS pension plan, with the active asset management expertise and discipline of the infrastructure team at Borealis, we are able to partner with like-minded investors such as GIC to participate in deals such as this."

About Oncor

- Operates the largest distribution and transmission system in Texas
- Is a regulated electric distribution and transmission business
- Provides power to 3 million electric delivery points over more than 102,000 miles of distribution and 14,000 miles of transmission lines.
- Is owned by a limited number of investors (including majority owner Energy Future Holdings Corp.)
- Is managed by its Board of Directors (comprised of a majority of independent directors)

Your contributory earnings definition must be in line with OMERS definition

Recent inquiries on defining OMERS definitions and terms in collective agreements – in particular, contributory earnings – have prompted us to remind you that OMERS definitions and terms as found in the *OMERS Act, 2006* and plan text, including the definition of contributory earnings, are determined by OMERS, not a collective agreement. Contributory earnings inclusions and exclusions are listed in the OMERS Administration Manual available at **www.omers.com**. A collective agreement cannot override OMERS terms and definitions.

Example:

Overtime pay, expense reimbursements, pay in lieu of time off, and the value of non-taxable benefits must be excluded from contributory earnings – these earnings cannot be established as contributory earnings by a collective agreement. If you can't find a particular type of earnings in the "must exclude" or "must include" section, please contact OMERS.

Important reminder:
A collective agreement cannot override OMERS definitions and terms.

Contribution rates change in 2009

In July, 2008, the OMERS Sponsors Corporation (SC) announced changes to OMERS Primary Plan Pension Plan and Retirement Compensation Arrangement contribution rates effective January 1, 2009.

Beginning with the first, *full* pay in 2009, the rates will be as follows:

Normal retirement age of 65 members	On earnings up to CPP earnings limit*	6.3%
	On earnings over CPP earnings limit*	9.5%
Normal retirement age of 60 members	On earnings up to CPP earnings limit*	7.7%
	On earnings over CPP earnings limit*	12.8%

* CPP earnings limit in 2009 is $46,300.

Advise your payroll service of the change in the CPP earnings limit (YMPE) every year and the change in the contribution rate this year. The YMPE for 2009 is $46,300.

Supplementary agreements

With the filing of the 2007 Primary Plan valuation by OMERS Administration Corporation with the Superintendent of Financial Services, the Primary Plan Fund has returned to an actuarial surplus position. Canada Revenue Agency considers supplementary benefits as unfunded liabilities and does not allow employer contributions for these additional benefits while the plan is in a surplus position.

Supplementary agreements allow OMERS employers to offer members benefits in addition to those provided by the Primary Plan. For example, the Type 1 agreement gives members the ability to purchase certain types of previous or past service while a Type 3 agreement offers members an enhanced early retirement option if they become permanently and partially disabled.

Annual Form 119 reporting

Form 119 annual reporting time is fast approaching. If you need help, please don't hestiate to contact OMERS Client Services or the Employer Services Administration Officer for your group.

Important dates for Form 119 reporting

January 2, 2009	e-Form 119 reporting function available for submitting 2008 membership information.
January 15, 2009	Paper Form 119s will be mailed to employers that use the paper version. ***Make the switch from paper to e-access:*** *Very few employers still use paper – if you have submitted by paper in the past, please consider using e-access – it's a faster more efficient way of processing the Form 119 data.*
February 15, 2009	You can submit member data before this date without PAs; we will calculate them for you. Once the data is validated, you can extract the PAs and upload them to your system for completing T4 slips.
March 31, 2009	Submit Form 119 data by this date to give OMERS enough time to validate your data and print and send members their Pension Reports within the legislated deadline.
June 13, 2009	This is the last date for OMERS to receive 2008 membership data to ensure we are able to produce and deliver Pension Reports to members by June 30, as set out in the Ontario *Pension Benefits Act* (i.e., six months after OMERS year-end of December 31).

This past year's Form 119 reporting was the best ever, with **99.7%** of the 2007 membership reporting completed by June 30, 2008. We are delighted with the commitment our employer groups have shown to completing the Form 119.

Employer checklist for 2009

Use the *Employer Checklist for 2009* as you get ready for your 2008 Form 119 annual reporting and as a quick guide throughout the year. It includes important dates, tips and guidelines.

The checklist was sent to most employers by e-alert. Employers who do their annual reporting on the paper Form 119 were mailed a copy. It's also available online at **www.omers.com** under Employers/Employer checklist for 2009.

The checklist is a quick reference tool – for detailed information, refer to the Employer Administration Manual and other information available at **www.omers.com.**

e-Form 105: quick, exact and easy to track

Your monthly payments to OMERS can be quick, accurate and easy to track using the *e-Form 105 – Contribution remittance summary.*

- Your payment is easily identifiable and allocated according to your instructions. It lets us know exactly who the money is from and where you want it to go.
- The data you enter on the e-Form 105 is audited and checked as you go, and it's especially helpful when it's time to reconcile your annual e-Form 119.
- The e-Form 105 acts like a to-do list. For example, an outstanding service purchase will show up in the summary.
- Like all e-Forms, the e-Form is submitted via a secure e-access channel.

How you remit funds does not change with the e-Form 105. For example, if you use direct deposit, submit the e-Form 105 by 3:00 p.m. on the day before you make your bank deposit.

Judy Wright, Payroll and Benefits Coordinator at the John Noble Home of Brantford recently started using the e-Form 105.

Judy says the e-Form 105 helped to streamline the remittance process. "I don't have to worry about paper coming back because as soon as I submit, OMERS already has the audited paperwork." Judy recently processed a retro-payment for one of the unions. "The e-Form 105 was great," she notes. "When I submitted the retro-payment, the e-Form 105 told me where to file the revised information."

Take steps to safeguard membership data

It's crucial that both OMERS and employers take measures to safeguard members' personal information. Below are a few tips and reminders to help keep member information safe and secure.

1 Never put a member's SIN in an e-mail

Use e-access instead or if e-mail must be used, the OMERS membership number should be the identifier. E-mail accounts are not necessarily secure and a member's social insurance number should never be put in the e-mail text or an e-mail attachment, even if the attachment is password-protected.

2 Provide up-to-date address information

When member address information is provided – e.g., on the *Form 143 – Request for an OMERS Plan benefit* or through the annual reporting process for the Pension Reports – we send the *Benefit application form,* Pension Report or other personal documents to this address. Providing current address information helps to ensure these documents are sent to the right address.

3 Keep e-access accounts up-to-date

You can help to keep e-access safe and secure by contacting us to deactivate accounts for staff that are no longer authorized to use the system. For example, if a registered e-access user leaves your organization or is transferred to a job where they no longer need e-access, please advise OMERS Client Services immediately.

Plan to attend an OMERS workshop

Need a refresher on pension administration? Do new HR or payroll staff need training? Our one-day workshop has something for everyone. It covers all aspects of OMERS administration; enrolments, leave periods and disabilities, and year-end reconciliation.

2009 Employer Administration Workshop Schedule

Workshops run from 9 a.m. to 4 p.m.

Date	Location
March 12	**Toronto** OMERS, One University Ave, 16th Floor Reception
March 24	**Windsor** Caboto Club, 2175 Parent Avenue
April 8	**St. Catharines** Four Points Sheraton, 3530 Schmon Parkway
April 29	**Ottawa** Chimo Hotel, 1199 Joseph Cyr Street
May 12	**Cambridge** Best Western Cambridge Hotel, 730 Hespeler Road
May 26	**Kingston** Portsmouth Olympic Harbour, 53 Yonge Street
June 9	**Timmins** Cedar Meadows, 1000 rue Norman Street
June 23	**Collingwood** Georgian Manor Resort and Country Club 10 Vacation Inn Drive

Register online under Employers/Training, or call OMERS Client Services. Workshops are free, but accommodation and travel is up to you. Please check our website for additional information.

Annual Meeting

The **2009 Annual Regional Meeting** will take place in Toronto on March 27, 2009. Visit **www.omers.com** early next year for more information and to register. Or, listen to our live audio webcast on March 27.

Questions? Call 416-350-6708 or 1-866-725-6494.

Expert Commission report released

The report from the **Ontario Expert Commission on Pensions (OECP)** was released on November 20, 2008. The Government of Ontario set up the Commission more than two years ago in order to review the province's pension system.

Based on a preliminary review of the report, OECP has responded favourably to OMERS submission in October of 2007. OMERS is pleased with the report's direction and with many of the individual findings and recommendations aimed at strengthening the security, affordability and fairness of pension plans in Ontario.

We are currently reviewing and digesting the Commission's very thorough report and will have more information on our website and in the next Employer News.

Information about the OECP is also available at **www.pensionreview.on.ca.**

OMERS
Plan for the Future

If there is any discrepancy between the information in this newsletter and the *Ontario Municipal Employees Retirement System Act, 2006 (OMERS Act, 2006)* and the plan text, the *OMERS Act, 2006* and plan text will govern.

Phone
416-369-2444
1-800-387-0813

Fax
416-369-9704
1-877-369-9704

E-mail
employer@omers.com
(en français ou anglais)

Mail
One University Ave.
Suite 800
Toronto, ON M5J 2P1

Web
www.omers.com

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